STATE RISK MANAGEMENT WORKERS COMPENSATION FUND **INVESTMENT PERFORMANCE REPORT AS OF MAY 31, 2008**

ſ		May-08	3		April-08				March-08				December-07				September-07				Current FYTD	Prior Year FY07	3 Years Ended	5 Years Ended
	Market Value	Alloc Actual	ation	Month Net ROR	Market Value	Actual	tion	Month Net ROR	Market Value	Alloc	ation	Quarter Net ROR		Alloca	ition	Quarter Net ROR	Market Value	Alloca		Quarter	Net	Net		6/30/2007 Net
LARGE CAP DOMESTIC EQUITY	Warket value	Actual	1 Olicy	Net KOK	Warket value	Actual	1 Olicy	Net Non	Market value	Actual	1 Olicy	IVEL IVOIN	Warket value	Actual	1 Olicy	Netron	Warket value	Actual	1 Olicy	Net NON	INCL	INCL	INCL	INCL
Structured Growth																								
Los Angeles Capital	179,731	4.3%	4.2%	4.75%	171,898	4.1%	4.2%	5.69%	162,622	4.0%	4.2%	-10.91%	168,270	4.0%	4.2%	-1.50%	178,488	4.2%	4.2%	0.38%	-2.48%	21.84%	13.35%	N/A
Total Structured Growth	179,731	4.3%	4.2%	4.75%	171,898	4.1%	4.2%	5.69%	162,622	4.0%	4.2%	-10.91%	168,270	4.0%	4.2%	-1.50%	178,488	4.2%	4.2%	0.38%	-2.48%	21.84%	13.35%	N/A
Russell 1000 Growth				3.67%				5.25%				-10.18%				-0.77%				4.21%	1.34%	19.04%	8.70%	
Structured Value																								
LSV	168,743	4.0%	4.2%	0.11%	168,869	4.0%	4.2%	4.74%	161,179	3.9%	4.2%	-9.73%	164,609	3.9%	4.2%	-5.53%	174,012	4.1%	4.2%	-0.89%	-11.38%	23.77%	19.00%	N/A
Russell 1000 Value	,			-0.16%	,			4.87%	,			-8.72%	,			-5.80%				-0.24%	-10.18%	21.87%	15.93%	
Russell 1000 Enhanced Index																								
LA Capital	352.838	8.4%	8.3%	3.05%	343.095	8.2%	8.3%	5.22%	325.997	7.9%	8.3%	-10.22%	334.706	7.9%	8.3%	-1.07%	355.332	8.3%	8.3%	0.24%	-3.45%	21.27%	13.46%	N/A
Russell 1000	,			1.83%	- 10,000			5.07%	,	,		-9.48%	,	,		-3.23%	,			1.98%	-4.42%	20.43%	12.34%	
S&P 500 Enhanced Index																								
Westridge	365.833	8.7%	8.3%	1.42%	388.387	9.3%	8.3%	5.00%	369.635	9.0%	8.3%	-9.12%	375.122	8.8%	8.3%	-3.04%	393,799	9.2%	8.3%	2.18%	-4.11%	21.12%	11.98%	N/A
S&P 500	000,000	0.1 /0	0.070	1.30%	300,001	3.070	0.070	4.87%	505,055	3.070	0.070	-9.44%	010,122	0.070	0.070	-3.33%	000,100	3.270	0.070	2.03%	-5.12%	20.59%	11.68%	14/2
																0.0070								
Index	440.000			2.19%	105 016			2.040/	120 F10			40.040/	404 000			C 270/	107.00F			0.000/	12.020/	24 020/	12.34%	NI/A
State Street Total 130/30	119,022 119,022	2.8%	2.8%	2.19% 2.19%	125,316 125,316	3.0%	2.8%	3.91% 3.91%	120,518 120,518	2.9%		-10.81% -10.81%	101,822 101,822	2.4%	2.8%	-6.37% - 6.37%	107,905 107,905	2.5%	2.8%	-0.80% - 0.80%	-12.02% -12.02%	21.82% 21.82%	12.34%	N/A N/A
S&P 500	119,022	2.0%	2.0%	1.30%	123,310	3.0 %	2.0 /0	4.87%	120,310	2.3%	2.0 %	-10.61% -9.44%	101,022	2.4 /0	2.0%	-3.33%	107,905	2.5%	2.0%	2.03%	-12.02% -5.12%	20.59%	11.68%	N/A
TOTAL LARGE CAP DOMESTIC EQUITY S&P 500	1,186,168	28.3%	27.8%	2.26% 1.30%	1,197,565	28.7%	27.8%	5.01% 4.87%	1,139,952	27.8%	27.8%	-9.94% -9.44%	1,144,529	26.9%	27.8%	-2.89% -3.33%	1,209,536	28.3%	27.8%	0.62% 2.03%	-5.51% -5.12%	21.86% 20.59%	13.76% 11.68%	N/A
SMALL CAP DOMESTIC EQUITY Manager-of-Managers																								
SEI	202,791	4.8%	4.6%	4.05%	201,625	4.8%	4.6%	4.53%	192,837	4.7%	4.6%	-11.46%	189,088	4.4%	4.6%	-6.35%	196,668	4.6%	4.6%	-3.66%	-13.11%	18.39%	13.70%	N/A
Russell 2000 + 200bp Enhanced				4.76%				4.35%				-9.43%				-4.09%				-2.60%	-7.51%	18.76%	15.72%	
Research Affiliates	200.432	4.8%	4.6%	4.22%	198.427	4.7%	4.6%	3.13%	192,415	4.7%	4.6%	-6.75%	179.207	4.2%	4.6%	-7.00%	187.514	4.4%	4.6%	N/A	N/A	N/A	N/A	N/A
Russell 2000	200,432	4.0 /0	4.0 /6	4.59%	190,427	4.1 /0	4.0 /0	4.19%	192,413	4.7 /0	4.0 /6	-9.90%	179,207	4.2 /0	4.0 /6	-4.58%	107,314	4.4/0	4.0 /0	-3.09%	-9.20%	IN/A	IN/A	IN/A
			0.00/		****	0.00/					0.00/			. ==:								40.0004	40 =004	
TOTAL SMALL CAP DOMESTIC EQUITY Russell 2000	403,223	9.6%	9.3%	4.14% 4.59%	400,053	9.6%	9.3%	3.83% 4.19%	385,252	9.4%	9.3%	-9.17% -9.90%	368,295	8.7%	9.3%	-6.67% -4.58%	384,181	9.0%	9.3%	-4.98% -3.09%	-12.90% -9.20%	18.39% 16.44%	13.70% 13.45%	N/A
DOMESTIC FIXED INCOME Core Bond																								
Western Asset	745,750	17.8%	18.6%	-0.65%	734,728	17.6%	18.6%	1.45%	725,817	17.7%	18.6%	-1.03%	783,933	18.4%	18.6%	1.63%	767,872	18.0%	18.6%	1.87%	3.28%	7.29%	4.44%	N/A
Lehman Aggregate				-0.73%				-0.21%				2.17%				3.00%				2.84%	7.21%	6.12%	3.98%	
Mortgage Backed																								
Hyperion	172,380	4.1%	4.8%	-0.47%	176,922	4.2%	4.8%	-1.88%	185,638	4.5%	4.8%	-7.97%	209,696	4.9%	4.8%	-1.00%	208,998	4.9%	4.8%	-1.78%	-12.60%	N/A	N/A	N/A
Lehman Global Aggregate (US Securitized Po Core Plus/Enhanced	rtion)			-0.70%				-0.57%				4.18%				3.15%				3.88%	10.22%			
Clifton Group	220,183	5.2%	4.8%	-0.65%	216.942	5.2%	4.8%	-0.73%	218,695	5.3%	4.8%	3.69%	228.531	5.4%	4.8%	3.99%	216.802	5.1%	4.8%	4.41%	11.04%	5.52%	N/A	N/A
Prudential	216,511	5.2%		-0.28%	212,417	5.1%	4.8%	0.50%	212,769	5.2%		0.95%	219,115	5.2%	4.8%	2.45%	211,043	4.9%	4.8%	1.95%	5.67%	N/A	N/A	N/A
Total Core Plus/Enhanced	436,694	10.4%		-0.47%	429,359	10.3%	9.6%	-0.12%	431,464	10.5%		2.35%	447,646	10.5%	9.6%	3.23%	427,844	10.0%		3.18%	8.38%	5.95%	N/A	N/A
Lehman Aggregate	,.,.			-0.73%	.,			-0.21%	, , , , ,			2.17%	, -			3.00%	,			2.84%	7.21%	6.12%		
Index Bank of ND	374.970	8.9%	8.4%	-1.09%	371.190	8.9%	8.4%	-0.87%	374 298	9.1%	8.4%	2.94%	392.161	9.2%	8.4%	3.04%	382.236	9.0%	8.4%	3.09%	7.24%	5.45%	2.92%	N/A
Lehman Gov/Credit (1)	3/4,9/0	0.9%	0.47	-1.09% -1.03%	3/1,190	0.9%	0.4%	-0.87% -0.59%	314,298	3.1%	0.4%	2.53%	392,107	J.270	0.4%	3.10%	302,230	9.0%	0.4%	3.09%	7.13%	5.45% 6.00%	3.04%	IN/A
, ,				-1.0370				-0.09/0				2.00%				5.10%				3.0170	1.1370	0.00%	J.U470	
BBB Average Quality	750.424	47.001	40.001	0.056	740 707	47.001	40.001	0.550	700 407	40.001	40.001	0.0001	777 4-1	40.001	40.001	4.0004	757.001	47.001	40.001	4 4001	0.4504	7.000	4.0001	L
Wells Capital (formerly Strong) Lehman US Credit BAA	752,131	17.9%	18.6%	-0.95% -0.64%	743,797	17.8%	18.6%	0.55% 1.30%	739,437	18.0%	18.6%	0.36% -1.05%	777,171	18.3%	18.6%	1.98% 1.90%	757,684	17.8%	18.6%	1.48% 1.67%	3.45% 3.18%	7.93% 7.54%	4.86% 4.47%	N/A
TOTAL DOMESTIC FIXED INCOME Lehman Aggregate (2)	2,481,925	59.1%	60.0%	-0.76% -0.73%	2,455,995	58.8%	60.0%	0.30% -0.21%	2,456,655	59.8%	60.0%	0.00% 2.17%	2,610,607	61.4%	60.0%	2.00% 3.00%	2,544,634	59.6%	60.0%	1.84% 2.84%	3.40% 7.21%	7.11% 6.12%	3.89% 4.13%	N/A
CASH EQUIVALENTS																								
Bank of ND	125.575	3.0%	3.0%	0.16%	125.233	3.0%	3.0%	0.15%	125.517	3.1%	3.0%	0.70%	129.556	3.0%	3.0%	0.96%	128.219	3.0%	3.0%	1.24%	3.25%	5.36%	4.10%	N/A
90 Day T-Bill	120,010	0.078	3.076	0.03%	120,233	3.076	0.078	0.11%	120,011	J. 1 /6	3.076	0.88%	123,000	3.078	0.076	1.05%	120,213	0.076	0.076	1.34%	3.45%	5.21%	3.78%	
TOTAL RISK MANAGEMENT FUND POLICY TARGET BENCHMARK	4,196,891	100.0%	100.0%	0.60% 0.35%	4,178,846	100.0%	100.0%	1.93% 1.62%	4,107,376	100.0%	100.0%	-3.45% -2.29%	4,252,986	100.0%	100.0%	-0.18% 0.49%	4,266,570	100.0%	100.0%	0.81% 2.05%	-0.36% 2.18%	12.18% 10.97%	7.04% 6.74%	N/A

NOTE: Monthly returns and market values are preliminary and subject to change.

⁽¹⁾ From April 1, 2004, through June 30, 2005, the benchmark was the LB Intermediate Govt/Credit index. (2) Prior to July 1, 2005, the benchmark was LB Govt/Credit Index.